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SENATE BILL 5402

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State of Washington                      60th Legislature                      2007 Regular Session

By Senators Kilmer, Delvin, Shin and Rockefeller; by request of Workforce Training and Education Coordinating Board

Read first time 01/18/2007. Referred to Committee on Higher Education.

1            AN ACT Relating to private vocational school programs; amending RCW  
2 28C.10.020, 28C.10.050, and 28C.10.120; and making appropriations.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 28C.10.020 and 1993 c 445 s 1 are each amended to read  
5 as follows:

6            Unless the context clearly requires otherwise, the definitions in  
7 this section apply throughout this chapter.

8            (1) "Agency" means the work force training and education  
9 coordinating board.

10            (2) "Agent" means a person owning an interest in, employed by, or  
11 representing for remuneration a private vocational school within or  
12 without this state, who enrolls or personally attempts to secure the  
13 enrollment in a private vocational school of a resident of this state,  
14 offers to award educational credentials for remuneration on behalf of  
15 a private vocational school, or holds himself or herself out to  
16 residents of this state as representing a private vocational school for  
17 any of these purposes.

18            (3) "Degree" means any designation, appellation, letters, or words  
19 including but not limited to "associate," "bachelor," "master,"

1 "doctor," or "fellow" which signify or purport to signify satisfactory  
2 completion of an academic program of study beyond the secondary school  
3 level.

4 (4) "Education" includes but is not limited to, any class, course,  
5 or program of training, instruction, or study.

6 (5) "Educational credentials" means degrees, diplomas,  
7 certificates, transcripts, reports, or documents, (~~or letters of~~  
8 ~~designation, marks, appellations, series of letters, numbers, or words~~  
9 ~~which~~) that signify (~~or appear to signify enrollment, attendance,~~  
10 ~~progress, or~~) satisfactory completion of the requirements or  
11 prerequisites for any educational program.

12 (6) "Entity" includes, but is not limited to, a person, company,  
13 firm, society, association, partnership, corporation, or trust.

14 (7) "Private vocational school" means any location where an entity  
15 is offering postsecondary education in any form or manner for the  
16 purpose of instructing, training, or preparing persons for any vocation  
17 or profession.

18 (8) "Probation" means the agency has officially notified a private  
19 vocational school in writing that the school or a program offered by  
20 the school has been identified by the agency as at risk and has  
21 deficiencies that must be corrected within a specified time period.

22 (9) "Program" means a sequence of approved subjects offered by a  
23 school that teaches skills and fundamental knowledge required for  
24 employment in a particular occupation.

25 (10) "To grant" includes to award, issue, sell, confer, bestow, or  
26 give.

27 ((+9)) (11) "To offer" includes, in addition to its usual  
28 meanings, to advertise or publicize. "To offer" also means to solicit  
29 or encourage any person, directly or indirectly, to perform the act  
30 described.

31 ((+10)) (12) "To operate" means to establish, keep, or maintain  
32 any facility or location where, from, or through which education is  
33 offered or educational credentials are offered or granted to residents  
34 of this state, and includes contracting for the performance of any such  
35 act.

36 **Sec. 2.** RCW 28C.10.050 and 2005 c 274 s 247 are each amended to  
37 read as follows:

1 (1) The agency shall adopt by rule minimum standards for entities  
2 operating private vocational schools. The minimum standards shall  
3 include, but not be limited to, requirements ~~((for each))~~ to assess  
4 whether a private vocational school is eligible to obtain and maintain  
5 a license in this state.

6 (2) The requirements adopted by the agency shall, at a minimum,  
7 require a private vocational school to:

8 (a) Disclose to the agency information about its ownership and  
9 financial position and to demonstrate to the agency that the school is  
10 financially viable and responsible and that it has sufficient financial  
11 resources to fulfill its commitments to students. Financial  
12 disclosures provided to the agency shall not be subject to public  
13 disclosure under chapter 42.56 RCW;

14 (b) Follow a uniform statewide cancellation and refund policy as  
15 specified by the agency;

16 (c) Disclose through use of a school catalog, brochure, or other  
17 written material, necessary information to students so that students  
18 may make informed enrollment decisions. The agency shall specify what  
19 information is required;

20 (d) Use an enrollment contract or agreement that includes: (i) The  
21 school's cancellation and refund policy, (ii) a brief statement that  
22 the school is licensed under this chapter and that inquiries may be  
23 made to the agency, and (iii) other necessary information as determined  
24 by the agency;

25 (e) Describe accurately and completely in writing to students  
26 before their enrollment prerequisites and requirements for (i)  
27 completing successfully the programs of study in which they are  
28 interested and (ii) qualifying for the fields of employment for which  
29 their education is designed;

30 (f) Comply with the requirements of RCW 28C.10.084;

31 (g) Assess the basic skills and relevant aptitudes of each  
32 potential student to determine that a potential student has the basic  
33 skills and relevant aptitudes necessary to complete and benefit from  
34 the program in which the student plans to enroll, including but not  
35 limited to administering a United States department of education-  
36 approved English as a second language exam before enrolling students  
37 for whom English is a second language unless the students provide proof  
38 of graduation from a United States high school or proof of completion

1 of a GED in English or results of another academic assessment  
2 determined appropriate by the agency. Guidelines for such assessments  
3 shall be developed by the agency, in consultation with the schools(~~(-~~  
4 ~~The method of assessment shall be reported to the agency. Assessment~~  
5 ~~records shall be maintained in the student's file))~~);

6 (h) Discuss with each potential student the potential student's  
7 obligations in signing any enrollment contract and/or incurring any  
8 debt for educational purposes. The discussion shall include the  
9 inadvisability of acquiring an excessive educational debt burden that  
10 will be difficult to repay given employment opportunities and average  
11 starting salaries in the potential student's chosen occupation(~~(-~~);

12 ~~((2) Any enrollment contract shall have))~~ (i) Ensure that any  
13 enrollment contract between the private vocational school and its  
14 students has an attachment in a format provided by the agency. The  
15 attachment shall be signed by both the school and the student. The  
16 attachment shall stipulate that the school has complied with  
17 ~~((subsection (1))~~(h) of this ~~((section))~~ subsection and that the  
18 student understands and accepts his or her responsibilities in signing  
19 any enrollment contract or debt application. The attachment shall also  
20 stipulate that the enrollment contract shall not be binding for at  
21 least five days, excluding Sundays and holidays, following signature of  
22 the enrollment contract by both parties(~~(-~~

23 ~~(3) The agency shall deny, revoke, or suspend the license of any~~  
24 ~~school that does not meet or maintain the minimum standards))~~; and

25 (j) Comply with the requirements related to qualifications of  
26 administrators and instructors.

27 (3) The agency may deny a private vocational school's application  
28 for licensure if the school fails to meet the requirements in this  
29 section.

30 (4) The agency may determine that a licensed private vocational  
31 school or a particular program of a private vocational school is at  
32 risk of closure or termination if:

33 (a) There is a pattern or history of substantiated student  
34 complaints filed with the agency pursuant to RCW 28C.10.120; or

35 (b) The private vocational school fails to meet minimum licensing  
36 requirements and has a pattern or history of failing to meet the  
37 minimum requirements.

1       (5) If the agency determines that a private vocational school or a  
2 particular program is at risk of closure or termination, the agency  
3 shall require the school to take corrective action.

4       **Sec. 3.** RCW 28C.10.120 and 1993 c 445 s 3 are each amended to read  
5 as follows:

6       (1) Complaints may be filed under this chapter only by a person  
7 claiming loss of tuition or fees as a result of an unfair business  
8 practice. The complaint shall set forth the alleged violation and  
9 shall contain information required by the agency on forms provided for  
10 that purpose. A complaint may also be filed with the agency by an  
11 authorized staff member of the agency or by the attorney general.

12       (2) The agency shall investigate any complaint under this section  
13 and shall first attempt to bring about a negotiated settlement. The  
14 agency director or the director's designee may conduct an informal  
15 hearing with the affected parties in order to determine whether a  
16 violation has occurred.

17       (3) If the agency finds that the private vocational school or its  
18 agent engaged in or is engaging in any unfair business practice, the  
19 agency shall issue and cause to be served upon the violator an order  
20 requiring the violator to cease and desist from the act or practice and  
21 may impose the penalties provided under RCW 28C.10.130. If the agency  
22 finds that the complainant has suffered loss as a result of the act or  
23 practice, the agency may order the violator to pay full or partial  
24 restitution of any amounts lost. The loss may include any money paid  
25 for tuition, required or recommended course materials, and any  
26 reasonable living expenses incurred by the complainant during the time  
27 the complainant was enrolled at the school.

28       (4) The complainant is not bound by the agency's determination of  
29 restitution. The complainant may reject that determination and may  
30 pursue any other legal remedy.

31       (5) The violator may, within twenty days of being served any order  
32 described under subsection (3) of this section, file an appeal under  
33 the administrative procedure act, chapter 34.05 RCW. Timely filing  
34 stays the agency's order during the pendency of the appeal. If the  
35 agency prevails, the appellant shall pay the costs of the  
36 administrative hearing.

1       (6) If a private vocational school closes without providing  
2 adequate notice to its enrolled students, the agency shall provide  
3 transition assistance to the school's students including, but not  
4 limited to, information regarding: (a) Transfer options available to  
5 students; (b) financial aid discharge eligibility and procedures; (c)  
6 the labor market, job search strategies, and placement assistance  
7 services; and (d) other support services available to students.

8       NEW SECTION. Sec. 4. (1) The sum of fifty-three thousand dollars,  
9 or as much thereof as may be necessary, is appropriated for the fiscal  
10 year ending June 30, 2008, from the general fund to the work force  
11 training and education coordinating board for the purposes of this act.

12       (2) The sum of fifty-three thousand dollars, or as much thereof as  
13 may be necessary, is appropriated for the fiscal year ending June 30,  
14 2009, from the general fund to the work force training and education  
15 coordinating board for the purposes of this act.

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